

A bill for an act

relating to retirement; allowing a bounce-back annuity when provided for by a marriage dissolution decree; amending Minnesota Statutes 2008, sections 353.30, by adding a subdivision; 518.58, subdivision 4.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2008, section 353.30, is amended by adding a subdivision to read:

Subd. 3d. **Bounce-back annuity; marriage dissolution.** The right to a future optional annuity selected by a former member or disability benefit recipient may be waived under section 518.58, subdivision 4, paragraph (c). This waiver will be effective the first day of the month following the date the executive director receives the order directing the revocation.

Sec. 2. Minnesota Statutes 2008, section 518.58, subdivision 4, is amended to read:

Subd. 4. **Pension plans.** (a) The division of marital property that represents pension plan benefits or rights in the form of future pension plan payments:

(1) is payable only to the extent of the amount of the pension plan benefit payable under the terms of the plan;

(2) is not payable for a period that exceeds the time that pension plan benefits are payable to the pension plan benefit recipient;

(3) is not payable in a lump-sum amount from defined benefit pension plan assets attributable in any fashion to a spouse with the status of an active member, deferred retiree, or benefit recipient of a pension plan;

(4) if the former spouse to whom the payments are to be made dies prior to the end of the specified payment period with the right to any remaining payments accruing to an estate or to more than one survivor, is payable only to a trustee on behalf of the estate or the group of survivors for subsequent apportionment by the trustee; and

(5) in the case of defined benefit public pension plan benefits or rights, may not commence until the public plan member submits a valid application for a public pension plan benefit and the benefit becomes payable.

(b) The individual retirement account plans established under chapter 354B may provide in its plan document, if published and made generally available, for an alternative marital property division or distribution of individual retirement account plan assets. If an alternative division or distribution procedure is provided, it applies in place of paragraph (a), clause (5).

(c) The court may order the revocation of the designation of an optional annuity beneficiary after which the pension plan member will receive the actuarial equivalent of a single life annuity. The pension plan member may not designate, and the court may not require that the member designate, a subsequent optional annuity beneficiary.

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment and apply retroactively to any marriage dissolution decree granting the revocation of an optional retirement annuity payment granted at any time prior to the date of enactment.